



PRO-Private Police Training Academy
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July 29, 2003

U.S. House of Representatives
Committee on Financial Services
Subcommittee on Housing and Community Opportunity
2129 Rayburn House Office Building
Washington, DC 20515

Honorable Members of the Subcommittee on Housing and Community Opportunity:

I would like to thank the Subcommittee Chairperson Bob Ney and Congresswoman Maxine Waters for bring this hearing to the City of Columbus, Ohio. I would also like to give special acknowledgement to Subcommittee member, and our Congressman, Pat Tiberi for his ongoing efforts and political leadership in helping Central Ohio realize it's true potential for growth and prosperity.

As a community activist, a professional security consultant and a private investigator with 20 plus years of experience, it is my pleasure to provide testimony regarding the current operation and administration of the Section 8 Housing Assistance Payment Program and related issues.

A Community Under Siege

In the interest of time and space I shall cut to the chase and go directly to the matter at hand. Columbus, Ohio is quickly becoming the Murder Capital of America with an overwhelming number of both the victims and assailants being African-Americans. Dead center of this horrific development is Section 8 and Subsidized Housing tenants, developers and property managers of the same.

The testimony herein is based upon personal research involving public records conducted by this witness as a direct result of the May 29, 2003 slaying of a 4 week old African-American infant child (shot in the head) along with her father who was also murdered at the same time, the June 12, 2003 shooting of an African-American teen sitting on his porch in the same neighborhood as the infant and her father, with both properties being owned by the same Section 8 and Subsidized Housing developer. This testimony also includes public records research of another group of Section 8 and Subsidized Housing developers that this witness happened upon during a former Burglary investigation whose operational practices are similar to the developers/property owners of both the teen shooting victim and murder victims.

The following organizations and groups have been researched by witness reviewing public records on file with the Columbus Division of Police (police calls-Computer Aided Dispatch System), the Franklin County Sheriff's Office (arrest records), the Franklin County Auditor's Office (property ownership records), the Ohio Secretary of State's Office (corporate filing and partnership records) and the Franklin County Recorder's Office (recorded deeds,

mortgages and agreements):

NOTE* Collectively, the following named organizations reflect pass or present property ownership or management of a significant portion of the most crime ridden properties in Columbus, Ohio.

Community Properties of Ohio, Inc.
88 East Broad Street, Suite 1800
Columbus, Ohio 43215

Community Properties of Ohio III LLC
88 East Broad Street
Columbus, Ohio 43215

David W. Houze, President
Medallion Limited Partnerships,
Corporations and the General Partner

DAVID W. HOUZE AGENT:

Sanderfur Builders, Inc.
Wayne Holdings Corporation
C.E. Investments, Inc.
Pet Imaging of Columbus, LLC

Harold D. Keller, President
Ohio Capital Corporation For Housing, Managing Member
88 East Broad Street, Suite 1800

Medallion Current and Former Partnerships (Section 8 and Subsidized Housing Developers/Property Owners:

Momentum 75 (Agent, Broad Street Management, Inc.)
1976 Mortgage Deed of \$ 1,488,100

Horizon, LLC
1980 Mortgage Deed of \$ 5,377,700

Rehab Unlimited 74, LLC
1974 Mortgage Deed of \$ 1,868,800

Encore, LLC
1977 Mortgage Deed of \$ 3,359,900

Odyssey, LLC
1980 Mortgage Deed of \$ 5,151,100

Polaris, LLC
1979 Mortgage Deed of \$ 4,975,800

Discovery 76, LLC
1976 Mortgage Deed of \$ 4,201,700

Citation, LLC
1979 Mortgage Deed of \$ 4,458,600

Other Columbus Crime Ridden Section 8 and Subsidized Housing Developers /Property Owners:

Uptown Village LTD 52 E. Fifth Avenue 5400 Columbus, Ohio 43201	National Management Corporation 52 E. Fifth Avenue Columbus, Ohio 43201	Security Properties-80 1201 Third Avenue, Suite Seattle, WA 98101-3031
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Broad Street Management, Inc.
935 E. Broad Street
Columbus, Ohio 43205

The Smoot Corporation formally
The Smoot Development Corporation
Agent: J. Jeffrey McNealey
Porter, Wright, Morris & Arthur
41 S. High Street
Columbus, Ohio 43215

Partnerships of The Smoot Development Corporation:

Robuck Investments, Inc. Partnership 875 E. Broad Street Columbus, Ohio 43205	Robuck Properties 859 West Mound Street Columbus, Ohio 43223	Robuck Investment 875 E. Broad Street Columbus, Ohio 43205
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S.R.P. Limited Partnership
SRP Housing I thru Eight Limited Partnership
875 E. Broad Street
Columbus, Ohio 43205

The Section 8 Housing Assistance Payment Program was authorized under Section 8 of the U.S. Housing Act of 1937. For both practical and political purposes, to implement the Act in furtherance of providing rental assistance to low-income families and individuals, a coalition of private developers, private/ public financial institutions, Public Housing Agencies as well as, federal, state, county and local public service agencies were required. The unintended consequences of having such a mighty coalition was that, political (well established politically active individuals and corporations) and financial considerations (the injection of investors) took priority over the quality of life and project merits that reflected the best interest of low-income families and the respective communities in which many of these so-called affordable housing units were installed.

Now comes the Bush Administration in its FY 2004 budget proposing to convert the Section 8 Housing Choice Voucher Program into a State-Administered Block Grant. The logical negative consequences of such an act would be, to convert the entire low-income affordable housing process into one of a political access process. Such a process political access process

would not foster low-income affordable housing projects based upon merits, community stability criterion or comprehensive community-based planning.

Should the Subcommittee on it's own seek further factual information relating to issues raised by this witness, the Subcommittee, seeking out the above-indicated public records relating to the above-indicated organizations and enterprises would, more than educate Subcommittee members regarding program abuses and the potential for additional serious problems to plague a program already screaming for reform if, the current Section 8 Program were in fact converted to a State-Administered Block Grant Program.

Also, should the Subcommittee, in furtherance of advancing the public interest, seek additional public information relating to the current and former administrative/development practices of the above-indicated businesses and organizations regarding the Section 8 Rental Assistance Program, the Subcommittee on it's own will find, but not limited to, the following:

- Systemic problems of program oversight and awarding of contracts based upon personal political relationships that have resulted over time between private developers, state, county and local public officials.
- Many instances of inflated property appraisals on the part of developers to attract investors.
- Systemic problems relating to developers and private property managers maintaining Section 8 and subsidized housing units in a clean and safe manner consistently.
- Systemic problems relating to developers, private property managers and Columbus Metropolitan Housing Authority properly screening tenants regarding criminal records and monitoring tenants and criminal activity occurring on their respective properties.
- Systemic problems relating to developers and private property owners having appropriate security-related budgets required precluding low-income housing units and multi-family low-income housing complexes from becoming public nuisances.
- Systemic problems relating to developers and private property managers having appropriate budgets for legal expenditures required to remove undesired tenants who engage in illegal criminal and breach of the peace activities who are participants in the Section 8 Program or guest of the same.

Thank you for your consideration of these comments. If you would like to discuss any of these points further please feel free to contact me at (614) 231-4966.

Respectfully Submitted,

Cornell H. McCleary, Commander
PRO-Private Police Training Academy